GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:279
ANSWERED ON:16.03.2007
REVIEW OF RURAL ELECTRIFICATION PROGRAMME
Bangaru Smt. Susheela Laxman;Pradhan Shri Prasanta

Will the Minister of POWER be pleased to state:

(a) whether the Government has reviewed the programme implemented under the Rural Electrification Scheme ;

(b) if so, the details thereof ;

(c) the progress made by the Government in this regard during the last three years, scheme-wise and State-wise; and

(d) the details of the Government and non-Government companies engaged in the implementation of the rural electrification programme in the country ?

Answer

THE MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a)to(d) : A Statement is laid on the Table of the House.

STATEMENT

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF STARRED QUESTION NO. 279 TO BE ANSWERED IN THE LOK SABHA ON 16.03.2007 REGARDING REVIEW OF RURAL ELECTRIFICATION PROGRAMME.

(a)&(b) : Yes, Sir. Government of India from time to time had launched the following programmes for electrification of rural areas in the country:

(i) Minimum Needs Programme (MNP) in 1974-75.

(ii) Kutir Jyoti in 1988-89 to give electricity connections to rural households below poverty line.

(iii) Prime Minister Gramodaya Yojana (PMGY) in 2000-01.

(iv) Accelerated Rural Electrification Programme (AREP) in 2003-04.

(v) Accelerated Electrification of One lakh villages and One crore households in 2004-05.

The Government reviewed these schemes and found that :

(a) The states were finding it difficult to implement the schemes which were having either 100% loan component or were providing only one component of electricity distribution.

(b) The states were reluctant to take up rural electrification work as they were not recovering the cost of power under the schemes, calling for increase in grant /assistance in the rural electrification programme.

(c) A comprehensive rural electrification programme was required to take care of :

Development of rural electrification infrastructure in rural areas.

Improving the viability of rural electricity infrastructure.

Coverage of all BPL families.

New definition of village electrification.

(vi) Accordingly, a new scheme has been introduced in April, 2005, namely, Rajiv Gandhi Grameen Vidyutikaran Yojana which provides for 90% capital subsidy of the project cost for the first time and 10% as soft loan from Rural Electrification Corporation (REC).

(c) : In the year 2004-05, Accelerated Electrification of One lakh villages and One crore households was launched which provided capital subsidy of 40% and loan of 60%.The scheme was being implemented initially in four States. However, the scheme was merged with RGGVY which is a more comprehensive scheme launched in 2005-06. In 2004-05, under Kutir Jyoti Programme, approximately 11 lakh connections were released to rural households below poverty line. The progress under rural electrification during the last two years under RGGVY is at Annex.

(d) : Works under RGGVY are implemented entirely on turnkey basis, except in Andhra Pradesh, where the same are executed on partial turnkey basis.Thirteen State Governments have decided to avail project management expertise and services of Central Public Sector Undertakings (CPSUs) POWERGRID, NTPC Ltd., National Hydro-Electric Power Corporation (NHPC) & Damodar Valley Corporation (DVC) by assigning implementation of RGGVY in 139 districts in their States. The state power utilities and CPSUs, based on the domestic competitive bidding, have awarded contracts to various contractors.